AMENDED IN ASSEMBLY APRIL 8, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 780

Introduced by Assembly Member Williams

February 25, 2015

An act to amend Section 25500.1 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 780, as amended, Williams. Alcoholic beverages: tied-house restrictions: on-sale retailers advertising.

The Alcoholic Beverage Control Act generally prohibits a manufacturer, winegrower, manufacturer's agent, winegrower's agent, rectifier, distiller, bottler, importer, or wholesaler from furnishing or lending money or other thing of value to a person engaged in operating, owning, or maintaining an on-sale licensed premises. The act provides that the listing of the names, addresses, telephone numbers, email addresses, Internet Web site addresses, or other electronic media, of 2 or more unaffiliated on-sale retailers selling beer, wine, or distilled spirits, as specified, in response to a direct inquiry from a consumer, as specified, does not constitute a thing of value or prohibited inducement, if specified conditions are met. The act includes among those conditions the requirement that the listing not refer to only one on-sale retailer or only to on-sale retail establishments controlled by the same retailer.

This bill would broaden the exception described above by removing the requirement that the listing refer to two or more unaffiliated retailers or be in response to a direct inquiry, as specified. The bill would also remove the condition that the listing not refer to only one on-sale retailer

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or only to on-sale retail establishments controlled by the same retailer. The bill would also permit the listing of contact information for off-sale retailers and would make conforming changes to reflect this inclusion.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 25500.1 of the Business and Professions Code is amended to read:

25500.1. (a) The listing of the names, addresses, telephone numbers, email addresses, or Internet Web site addresses, or other electronic media, of *two or more unaffiliated* on-sale *or off-sale* retailers selling beer, wine, or distilled spirits produced, distributed, or imported by a nonretail industry member does not constitute a thing of value or prohibited inducement to the listed on-sale *or off-sale* retailer, provided all of the following conditions are met:

- (1) The listing does not also contain the retail price of the product.
- (2) The listing is the only reference to the on-sale *or off-sale* retailers in the direct communication.
- (3) The listing does not refer only to one on-sale or off-sale retailer or only to on-sale or off-sale retail establishments controlled directly or indirectly by the same retailer.

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- (4) The listing is made—by, or produced—by, or paid for, exclusively by the nonretail industry member.
- (b) For the purposes of this section, "nonretail industry member" is defined as a manufacturer, including, but not limited to, a beer manufacturer, winegrower, or distiller of alcoholic beverages or an agent of that entity, or a wholesaler, regardless of any other licenses held directly or indirectly by that person.